Health Canada Santé Canada

Canada

Health Canada

2018-19

Departmental Plan

The Honourable Ginette Petitpas Taylor, P.C., M.P.
Minister of Health

YOUR HEALTH AND SAFETY... OUR PRIORITY.

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ISBN: 2371-6576
Catalogue Number: H1-9/31E-PDF
Pub. 170333

This document is available on the Treasury Board to Canada Secretariat [i] website

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Minister's Message

As the Minister of Health, I am pleased to present Health Canada's 2018-19 Departmental Plan. This report outlines the key initiatives the Department will undertake in the coming year to deliver results for Canadians.

One of the Department's top priorities for 2018-19 is to continue to address the opioid crisis – the most significant public health crisis that Canadians have experienced in recent years. My conversations with people across Canada, including people with lived and living experience, have been extremely valuable in understanding the continued need for urgent action to address this crisis. To that end, the Government of Canada has committed through Budget 2018[1], to further address the opioid crisis and improve access to evidence-based treatment services to those in need. The Government of Canada continues to work with other levels of government and stakeholders so that Canada's response to the opioid crisis is robust, well-coordinated and effective. Health Canada will deliver this, in part, through the Canadian Drugs and Substances Strategy, the Government's modernized approach to drug and substance use policy.

Health Canada is also diligently working to deliver on the Government's commitment to legalizing, strictly regulating and restricting access to cannabis. As announced in Budget 2018, the Government proposes to invest additional sums over five years to support the involvement of community-based organizations and Indigenous organizations and governments in educating their communities on the risks associated with cannabis use. The Act will create a strict framework for controlling the production, distribution, sale and possession of cannabis in Canada to ensure that cannabis is kept out of the hands of young Canadians and that profits are kept away from criminals and organized crime.

Health Canada will continue to provide national leadership to foster sustainable health care systems that ensure Canadians have access to appropriate and effective health care. In August 2017, the federal, provincial and territorial governments reached agreement on the Common Statement of Principles on Shared Health Priorities, which outlines key priorities for federal investments in mental health and addiction services, and home and community care. The Common Statement of Principles provides a list of priority actions where provinces and territories have agreed to focus the funding for mental health and addictions services, and home and community care.

The Department is working with jurisdictions to establish bilateral agreements that will set out how individual jurisdictions will use federal funding to improve access to home care and mental health services. Provinces and territories have committed to working with the Canadian Institute for Health Information (CIHI) to develop a focused set of common indicators to

[1] Note that Budget 2018 initiatives and funding will be reported in Health Canada's 2019-20 Departmental Plan.

measure progress and report annually to Canadians on overall improvements in access to home and community care as well as mental health and addiction services. In addition, Health Canada will work closely with provincial and territorial governments to develop national approaches to other key health system issues, including expanding the use of digital technologies. The Department will also work to improve access to and affordability of necessary prescription medications and the appropriate use of those medications, and supporting the Advisory Council on the Implementation of National Pharmacare announced in Budget 2018.

Helping Canadians lead healthier lives and providing protection from unsafe consumer and commercial products and substances will remain an important focus of Health Canada's work.

In 2018-19, Health Canada will continue its efforts to strengthen tobacco control in Canada. Pending Royal Assent of the Tobacco Act, Health Canada will work towards implementing plain packaging requirements on all tobacco products as well as the development of a modernized Federal Tobacco Control Strategy to reduce tobacco-related diseases and deaths. Between new funds set out in Budget 2018 and existing resources, the Government plans to make significant investments in tobacco control over the next five years. This will help to ensure that Canada remains a world leader in tobacco control.

The Department will also continue the implementation of the multi-year comprehensive Healthy Eating Strategy to help Canadians make informed and healthier food choices, including through the introduction of restrictions on the marketing of unhealthy food and beverages to children, and through improved food labelling.

In addition, Health Canada will work with domestic and international partners to assess, manage and communicate the health and safety risks and benefits associated with health and consumer products, food, chemicals, pesticides, tobacco and controlled substances. Work will also focus on ensuring that Canadians have access to safe, effective and quality health products. For example, through the Regulatory Review of Drugs and Devices Initiative, Health Canada will collaborate with health partners to foster an agile regulatory system that supports improving access to therapeutic products (i.e. drugs and medical devices) based on health care system needs.

I look forward to continuing to advance my key mandate priorities through collaboration and evidence-based decision-making that will improve the health and safety of all Canadians. More information on my mandate priorities can be found on the Prime Minister of Canada's website.

The Honourable Ginette Petitpas Taylor, P.C., M.P.

Minister of Health

Plans at a glance

CORE RESPONSIBLITIES

CORE RESPONSIBILITIY 1
HEALTH CARE SYSTEMS

Health Canada provides national leadership to foster sustainable health care systems that ensure access for Canadians to appropriate and effective health care.

CORE RESPONSIBILITIY 2
HEALTH PROTECTION & PROMOTION

Health Canada works with domestic and international partners to assess, manage and communicate the health and safety risks and benefits associated with health and consumer products, food, chemicals, pesticides, environmental factors, tobacco and controlled substances.

Health Canada's Departmental Results Framework (DRF) outlines two core responsibilities for the Department: Health Care Systems and Health Protection and Promotion.

Under the Health Care Systems core responsibility, Health Canada provides national leadership to foster sustainable health care systems. This is mainly achieved through partnerships with provincial and territorial governments and support through targeted funding agreements to organizations and key pan-Canadian health partners that are contributing to health system improvements.

Within the Health Protection and Promotion core responsibility, Health Canada works with domestic and international partners to help protect Canadians by identifying health and safety risks. These risks are managed through rigorous regulatory frameworks and by communicating risks and benefits to Canadians so that they can make informed decisions. This work relates to the health and safety of health and consumer products, food, chemicals, pesticides, environmental factors such as air and water quality, tobacco and controlled substances, including cannabis. The distinction between the roles of Health Canada and the Public Health Agency of Canada is outlined in the descriptions of the Core Responsibilities, and expressed in unique departmental results statements and indicators.

Health Canada will deliver on its results for Canadians through undertaking work in the following priority areas in 2018-19.

Priority I: Fostering Sustainable Health Care Systems

Modern and sustainable health care systems are vital to addressing the health needs of Canadians. Although health care delivery is primarily under provincial and territorial jurisdiction, the federal government has an ongoing role in providing financial support through fiscal transfers to the provinces and territories, maintaining the core principles of the Canada Health Act, and supporting health care innovation and collaboration across the country. Health Canada will contribute to improving the quality and sustainability of health care as the systems continue to evolve in a context of technological and social changes, demographic shifts and fiscal pressures. As announced in Budget 2017, the federal government will provide targeted funding of $11 billion over 10 years to provinces and territories to improve access to home care and mental health services.

Priority II: Strengthen openness and transparency as modernization of health protection legislation, regulation and delivery continues

Health Canada's operating environment is constantly evolving. For example, the integrity of the global supply chain for health products is changing; the speed of technological innovation continues to accelerate. To help Canadians live healthier lives and protect them from unsafe food, products, and threats, and in support of the Government's commitment to openness and transparency, Health Canada will continue its efforts with its partners at home and abroad to modernize regulatory frameworks and service delivery models. The Department will provide credible and timely information to empower Canadians to make informed health decisions and support businesses' responsibility for the safety of their products.

Priority III: Recruit, maintain and foster an engaged, high performing and diverse workforce within a healthy workplace

Health Canada's greatest strength is an engaged, empowered and well-equipped workforce with employees that have the competencies (including science and regulatory skill sets), tools and opportunities to succeed in the pursuit of excellence in program and service delivery. Two of the key priorities for the Government of Canada for 2018-19, as referenced in the Clerk's 24th Annual Report to the Prime Minister on the Public Service of Canada, are mental health and workplace well-being, and attracting, retaining and developing top talent. Health Canada is achieving this by building a healthy, respectful and supportive work environment and by developing an engaged, high-performing and diverse workforce across Canada, which includes resilience and wellness training as well as recruiting for the future.

Priority IV: Work in collaboration with governments and Indigenous partners to address Indigenous health priorities

On December 4, 2017, the Government announced the creation of the Department of Indigenous Services Canada (DISC) as part of a renewed relationship with Indigenous Peoples, based on the recognition of rights, respect, co-operation, and partnership, and the transfer of the authorities, duties and functions related to the First Nations and Inuit Health Branch (FNIHB) from Health Canada to the new department. Health Canada will ensure the smooth transition of FNIHB programs and direct resources to DISC. Health Canada will also ensure that ongoing, effective and efficient internal support services are provided to the DISC-FNIHB programs until all FNIHB-related internal support functions are transferred to DISC or to the Department of Crown-Indigenous Relations and Northern Affairs.

Health Canada remains committed to advancing initiatives aimed at reducing the health inequities between Indigenous and non-Indigenous peoples and improving access to health services. As outlined in the Common Statement of Principles on Shared Health Priorities, Health Canada will continue to work with federal departments, provincial and territorial governments and Indigenous partners to address Indigenous health priorities and approach health decisions through a lens that promotes respect and reconciliation with Indigenous peoples.

Experimentation and Innovation

Innovation and experimentation are critical to Health Canada's ability to meet its mandate in the face of rapidly evolving science, new trends in the marketplace, and the changing demands and expectations of Canadians. In support of the directive on experimentation from the Treasury Board Secretariat, Health Canada will launch in spring 2018 a new funding program known as the Solutions Fund: Powering Employee Innovation. The Solutions Fund is consistent with the Government of Canada's commitment to supporting experimentation to instil a culture of measurement, evaluation and innovation in program and policy design and service delivery.

The new Fund provides a means for employees to identify, develop and implement projects that will improve service to Canadians, enhance the functioning of the Department and deliver value to taxpayers. The program will also provide more opportunities for employees and the organization to experiment with innovative solutions, with the possibility of scaling-up successes. Projects will be assessed against rigorous criteria, monitored throughout their lifecycle, and evaluated to ensure maximum value from the experimentation.

Budget 2017 announced the creation of Innovative Solutions Canada (ISC), a new program with more than $100 million dedicated to supporting the scale up and growth of Canada's innovators and entrepreneurs by having the federal government act as a first customer. Twenty participating federal departments and agencies, including Health Canada, will set aside a portion of funding to support the creation of innovative solutions by Canadian small businesses.

Health Canada has committed $1.4 million of its budget towards ISC. Work is underway within the Department to ensure that Health Canada is well positioned to contribute to the effective implementation of the initiative.

Gender-based analysis plus at Health Canada

In 2017 Health Canada adopted a Sex and Gender Action Plan which aims to strengthen the implementation of Gender-based analysis plus (GBA+)[2] including diversity in all of Health Canada's research, legislation, policies, regulations, programs and services. The Action Plan aims to: i) increase positive impacts on health outcomes and health status of Canadians by designing initiatives to address the diverse needs of Canadians; and ii) maximize positive impact on workplace health and engagement by developing policies and processes to address the diverse needs of our employees.

The Action Plan includes a partnership with the Institute of Gender and Health at the Canadian Institutes of Health Research. A joint funding call to recruit researchers was issued to relevant subject matter and sex and gender expertise to engage on priority Health Canada initiatives; each branch has identified a signature initiative.

Targeted initiatives this year include:

- ❑ Cannabis – continuing data collection informed by GBA+ considerations[3];
- ❑ Departmental Results Framework – increasing use of sex-disaggregated data and indicators to monitor program outcomes;
- ❑ Evaluation – piloting the Health Equity Tool which assesses health equity issues including sex, gender and diversity;
- ❑ Health product labelling – investigating consumer perceptions of health product labelling which will help to inform the modernized regulatory framework for self-care products**Error! Bookmark not defined.**;
- ❑ Health products – reorienting Health Canada risk communications for health products to better reflect gender differences**Error! Bookmark not defined.**;
- ❑ Home care – exploring key sex, gender and diversity considerations that can maximise the use and benefits of digital technologies in home care**Error! Bookmark not defined.**;
- ❑ Pest management – informing the public on science-based considerations of sex and gender in pest management regulations;
- ❑ Vaping – following parliamentary approval, designing – a new regulatory framework for vaping products in Canada that incorporates sex, gender; and diversity considerations; and,

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[2] GBA+ an analytical approach used to assess how diverse groups of women, men and gender-diverse people may experience policies, programs and initiatives. The "plus" in GBA+ acknowledges that the gender-based analysis goes beyond biological (sex) and socio-cultural (gender) differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability. Examples of GBA+ processes include using data disaggregated by sex, gender and other intersecting identity factors in performance analysis, and identifying any impacts of the program on diverse groups of people, with a view to adjusting these initiatives to make them more inclusive. For more information, consult your department's GBA Focal Point or the Status of Women Canada website.

[3] Signature initiatives identified for collaboration with the Institute of Gender and Health.

- ❑ Workplace health – using GBA+ to support a psychologically healthy workplace.[3]

An initiative to strengthen the positive role of fathers in First Nations families and communities had been identified for the FNIHB, which has since transferred to DISC.

For more information on Health Canada's plans, priorities and planned results, see the "Planned results" section of this report.

Planned Results: what we want to achieve this year and beyond

Core Responsibilities

Health Care Systems

Description

Health Canada provides national leadership to foster sustainable health care systems that ensure access for Canadians to appropriate and effective health care.

Planning highlights

In line with the Minister's mandate letter, the overall objective of Health Canada's policies and programs under the Health Care Systems core responsibility is to strengthen the publicly-funded health care systems and ensure that it adapts to new challenges.

> "The Common Statement of Principles follows confirmation in Budget 2017 of $11 billion over 10 years in new federal funds to improve access to mental health and addiction services, as well as to home and community care. Federal, provincial and territorial Health Ministers will also work collaboratively to develop a focused set of common indicators to enable Canadians to assess progress on mental health and addictions and home and community care."
>
> August 21, 2017

Expected result: Canada has modern and sustainable health care systems

Health Canada works closely with provincial and territorial governments, domestic and international organizations, health care providers and other stakeholders to develop and implement innovative approaches that improve the efficiency and sustainability of health care systems. In 2018-19, the Department will undertake the following initiatives to meet the health priorities and health services needs of Canadians and contribute towards Canada having modern and sustainable health care systems:

- Conduct research, analysis and policy work on health care system issues such as health expenditures and funding, home care, palliative and end-of-life care, pharmaceuticals, impacts of health care system modernization on the health workforce, opioids, mental health, quality of care, health care innovation and health technology and the health system impacts of demographic change and disease patterns, in support of the Departmental mandate.
- Continue to support organizations contributing to health system improvements. As part of this support, the Department will:
    - Advance digital health innovation by providing $300 million over five years to Canada Health Infoway to develop a pan-Canadian e-prescribing system and virtual care initiatives, support the continued adoption and use of electronic medical records, help patients to access their own health records electronically,

and better link electronic health record systems to improve access by all providers and institutions.

- Support the CIHI by providing $83.8 million in funding in 2018-19 to deliver comparable and actionable information to accelerate improvements in health care, health system performance and population health across the continuum of care.
- Strengthen the management of drugs and non-drug technologies by providing $20.1 million to the Canadian Agency for Drugs and Technologies in Health.
- Accelerate the adoption of promising and proven health service delivery transformation by providing $17 million to the Canadian Foundation for Healthcare Improvement.
- Support brain research through the Canada Brain Research Fund, whereby private and charitable funds raised by the Brain Canada Foundation will be matched by Health Canada, up to $120 million by 2020.

Through these investments, Canadians will gain greater access to their own medical records and health care providers will be better able to coordinate patient care through digital technologies. Policy makers will have access to better information on the performance of the health care system and cost-effectiveness of drugs and technologies to support evidence-based decision making. Promising innovations and best practices in service delivery will be more readily identified and shared across jurisdictions. Progress on these initiatives will be monitored through results indicators on drug spending and health expenditure at the system-level.

Expected result: Canadians have access to appropriate and effective health services

The federal government has an ongoing role in providing financial support through fiscal transfers to the provinces and territories, maintaining the core principles of the Canada Health Act, and supporting collaboration across the country. To ensure that Canadians have access to appropriate and effective health services, Health Canada will continue to:

- ❑ Work in partnership with provincial and territorial governments to implement bilateral agreements and commitments in the Common Statement of Principles on Shared Health Priorities, with a focus on home and community care (including palliative and end-of-life care) and mental health and addictions services.
- ❑ Collaborate with the provinces and territories on improving access to necessary prescription medications, developing an organ and tissues donation and transplantation system that gives Canadians timely and effective access to care, and establishing a long-term vision for blood services that ensures safety and non-discrimination in donation policies.
- ❑ Monitor provincial and territorial health care insurance plans and work with provinces and territories to address patient charges and strengthen reporting on the Canada Health Act.
- ❑ Provide up to $28.3 million under the Substance Use and Addictions Program to support evidence-informed and innovative health promotion, prevention, harm reduction and

treatment initiatives to address substance use, including core funding for the Canadian Centre on Substance Use and Addiction.

- ❑ Support through targeted funding agreements, organizations and key pan-Canadian health partners that are contributing to health system improvements that will help Canadians' access to appropriate and effective health services:
  - Continue annual support of $14.25 million for the Mental Health Commission of Canada to advance specific priorities in the area of mental health consistent with findings outlined in the 2016 Evaluation of Mental Health and Mental Illness Activities of Health Canada and the Public Health Agency.
  - Provide $47.5 million in funding to the Canadian Partnership Against Cancer Corporation to continue its work on key health issues in cancer control.
  - Support the Canadian Patient Safety Institute's efforts to improve patient safety and quality of care with $7.6 million in 2018-19.
- ❑ Support implementation of medical assistance in dying (MAID) legislation in collaboration with provinces and territories, as well as meet federal commitments under the law. In 2018-19, activities will include: enactment of Ministerial regulations for a monitoring and reporting system on MAID; receipt and tabling in Parliament of independent reviews on questions requiring further examination; and, release of the first official annual public report on MAID in Canada.
- ❑ Implement the requirements under Bill C-277 to initiate consultations with provinces and territories and palliative care experts for the development of a framework on palliative care for Canadians, and table a report laying out the framework by December 2018.
- ❑ Provide up to $25.7 million per fiscal year to address federal priorities under the Health Care Policy Contribution Program, which include health care system innovation, palliative and end-of-life care.
- ❑ Provide $33.8 million per year to community-based organizations, governments and academic institutions to improve access to health services for English-speaking communities in Quebec and French-speaking communities elsewhere in Canada. Funded activities include the integration of bilingual health personnel through postsecondary training initiatives, the development of strategies and partnerships with health system stakeholders through community networking, and the implementation of projects aimed at improving access to bilingual health services and fostering knowledge development and dissemination.
- ❑ Provide funding to support the Thalidomide Survivors Contribution Program which is intended to contribute to meeting the lifetime needs of Canadian thalidomide survivors.
- ❑ Due to the high cost and logistical difficulties of delivering specialized health services to small, isolated communities, the territories face unique challenges in providing quality health care across the north. Budget 2017 invests $108 million over four years, starting in 2017-18, to renew and expand the Territorial Health Investment Fund. Of this amount, $25.6 million will be allocated to Yukon, $28.4 million to the Northwest Territories and $54 million to Nunavut. This funding will support territorial efforts to

innovate and transform their health care systems and ensure northerners have access to the health care they need.

These investments will enable provinces and territories to improve access to home and community care, including palliative care, and mental health and addictions services, consistent with the Common Statement of Principles on Shared Health Priorities which federal, provincial and territorial (FPT) Health Ministers endorsed in August 2017. Funding will flow through bilateral agreements between each jurisdiction and the Government of Canada. Investments will also help to address the health care needs of specific populations such as Northerners and official language minority communities. Progress on these initiatives will be monitored through results indicators on unmet need in the areas of home care and mental health services on an individual level.

For more information on the Minister's mandate letter commitments, see the Prime Minister of Canada's Website[ii].

Planned results

Departmental Result : Canada has modern and sustainable health care systems

Departmental Indicators	Target	Date to achieve target	Actual results
National health expenditure as a percentage of Gross Domestic Product* (Baseline 10.9.% of GDP in 2014-15)	Between 10 and 12%	March 31, 2019	2014-15:10.9% 2015-16: 11.4% 2016-17: 11.5%
Real per capita health expenditure (1997)* (Baseline $5,543 increase per person in 2014-15)	Between $4,133.60 and $4,216.27**	March 31, 2019	2014-15: $1,013.60 2015-16: $4,091.40 2016-17: $4,133.60
Drug spending as a percentage of Gross Domestic Product *** (Baseline 1.74% in 2014-15)	Between 1 and 2%	March 31, 2019	2014-15: 1.74% 2015-16: 1.83% 2016-17: 1.87%
Percentage of family physicians using electronic medical records**** (Baseline 73% in 2015)	Between 80 and 100%	March 31, 2022	2014-15: N/A 2015-16: 73% 2016-17: N/A

* These two complementary indicators demonstrate that national health expenditures grows faster than the economy as a whole, both relative to GDP (1st indicator) and relative in real/constant 1997 dollars; data for these two indicators can be found on the CIHI website; click on "Data tables on health spending" on the Quick links table on the right of the screen. The figures for 2016-17 are the most recent forecast. For the Real per capita health expenditure, percentage increase is calculated using constant 1997 dollars.

**The target dollar amount is anticipated to increase in line with an annual real per capita growth rate in the range of 0-2%. For 2017-18, the target range is $4,133.60 to $4,216.27.

*** Indicator demonstrates that drug spending has been growing faster than the economy as a whole in recent years; data can be found on the Organisation for Economic Co-operation and Development website.

****Data source: Common Wealth Fund Survey – data collected every three years. The Commonwealth Fund is reviewing its survey, and thus the next wave of data collection is being planned for 2019.

Departmental Result : Canadians have access to appropriate and effective health services

Departmental Indicators	Target	Date to achieve target	Actual results
Percentage of Canadians (aged 15+) with a mental disorder who have expressed that they have an unmet mental health care need (Baseline: According to Statistics Canada in 2012, 26% of Canadians aged 15+ with a mental health disorder expressing they have an unmet mental health need).	Between 0 and 15%	March 31, 2021	2014-15: 26.3% (2012 data) 2015-16: N/A 2016-17: N/A
Percentage of Canadians (aged 15+) who have expressed that they have an unmet need for access to home care services (Baseline: According to Statistics Canada in 2012, 1.6% of Canadians aged 15+ reported that they had not received help, even though they needed it (during the previous 12 months for a chronic health condition).	Between 0 and 1.0%	March 31, 2019	2014-15: 1.6% (2012 data) 2015-16: N/A* 2016-17: N/A*
Percentage of Canada Health Act compliance issues addressed within 24 months of identification (Baseline range of 80% to 90% in 2016)	Between 85 and 100%	March31, 2019	2014-15: 67** 2015-16: 50** 2016-17: 86**
Percentage of Canadians who did not fill a prescription for medicine because of the cost (Baseline 7.1% in 2014)	Between 0 and 5%	March 31, 2022	2014-15: 7.1%*** 2015-16: N/A*** 2016-17: N/A***

*Actual results for previous fiscal years are based upon the percentage of issues addressed within a 12 months period, as outlined in the 2016-17 Departmental Results Report.

**Actual results are for the percentage of issues addressed within 12 months.

***Data source: Organisation for Economic Co-operation and Development, Report on Pharmaceutical spending – data collected every three years.

Budgetary financial resources (dollars)

2018-19 Main Estimates	2018-19 Planned Spending	2019-20 Planned Spending	2020-21 Planned Spending
1,270,981,764	1,270,981,764	1,537,035,332	1,685,100,127

Note: The increase in planned spending is mainly due to funding level increases for Strengthening Canada's Home Care and Mental Health Services, Canada Health Infoway, CIHI, Canadian Partnership Against Cancer, and improving the accessibility, affordability and appropriate use of prescription drugs and medical devices.

Human resources (full-time equivalents [FTEs])

2018-19 Planned FTEs	2019-20 Planned FTEs	2020-21 Planned FTEs
276	280	280

Note: The increase in planned FTEs is mainly due to funding level increases for improving the accessibility, affordability and appropriate use of prescription drugs and medical devices.

Health Protection and Promotion

Description

Health Canada works with domestic and international partners to assess, manage and communicate the health and safety risks and benefits associated with health and consumer products, food, chemicals, pesticides, environmental factors, tobacco and controlled substances.

> "We are in the midst of a **national health crisis** and no one group or government can address it alone."
>
> *- The Hon. Ginette Petitpas Taylor*
>
> *Minister of Health*
>
> *Calgary Announcement on Opioid Crisis, November 2017.*

Planning highlights

The opioid crisis continues to escalate. The roots of this crisis are complex and no one actor has the power to change the current course of events – we must all work together to do better for Canadians. The Government of Canada is coordinating a collaborative approach that is grounded in compassion, innovation and evidence.

Health Canada's continued efforts to address the crisis in 2018-19 include:

- ❑ Work towards decreasing problematic substance use among Canadians by implementing the Canadian Drugs and Substances Strategy, a public approach that emphasizes harm reduction alongside treatment, prevention and enforcement, and by advancing federal actions to address the opioid crisis.
- ❑ Improve the consistency and timeliness of surveillance for monitoring and reporting by:
  - Enhancing collaborative efforts between Health Canada, the PHAC, Statistics Canada, provinces and territories and key partners like the CIHI to collect and report on opioid overdose information; and,
  - Increasing the scope and depth of evidence by strengthening data collection through national drug use surveys.
- ❑ Conduct public awareness activities to reduce stigma associated with problematic opioid use.
- ❑ Continue to streamline the federal application process for supervised consumption sites, and support applications for novel models, such as mobile units, supervised inhalation consumption and drug checking services to provide a holistic harm reduction framework and to provide greater access to treatment services for Canadians dealing with problematic substance use.

Expected result: Canadians have access to safe, effective and quality health products

Health Canada is investing in improving timely access to safe drugs for patients and to meet the needs of the health care system. Improvements will mean accelerated access to market for innovative, breakthrough products along with cost effective alternatives, such as biosimilars and generics. In addition, Health Canada is strengthening its capacity to ensure timely review of drug submissions and to anticipate, enable and respond to innovative technologies coming to market.

As part of its ongoing efforts to ensure Canadians have access to safe, effective and quality health products, including pharmaceutical drugs, biologics and radiopharmaceuticals, medical devices, and natural health products, Health Canada will undertake the following initiatives in 2018-19:

- ❑ Through the Regulatory Review of Drugs and Devices initiative, collaborate with health partners to foster a more agile regulatory system that supports improving access to safe, effective and high quality therapeutic products (i.e. drugs and medical devices) based on health care system needs.
- ❑ Collaborate with FPT partners to clarify key roles, responsibilities, and refine processes as they relate to drug shortages and discontinuations.
- ❑ Align the Canadian Agency for Drugs and Technologies in Health's review with the Health Canada's review such that portions of the regulatory review and health technology assessment are completed in parallel which should result in Canadians having earlier access to reimbursable therapeutic products.
- ❑ Expand the priority review pathway to include drugs that meet a specific need of the health care system, including drugs for rare diseases.
- ❑ Make greater use of real-world data for assessing drug safety and effectiveness.
- ❑ Develop regulations and guidance on the mandatory reporting of adverse drug reactions and medical device incidents by prescribed health care institutions increasing availability of information about the safety of drugs and medical devices, as well as enabling a better understanding of the benefit/harm profile of marketed health products.
- ❑ Collaborate internationally to share information, improve foresight through data sharing, and promote cooperation in managing global drug shortages.
- ❑ Continue development and implementation of risk-based compliance and enforcement strategies including inspection of domestic and foreign manufacturers for compliance with Good Manufacturing Practices.

Did you know

Recognizing that financial support from the pharmaceutical industry to health care practitioners can create potential conflicts of interest, the Minister of Health committed to consult with provinces, territories, and professional regulatory bodies to increase transparency in the marketing and promotion of therapies.

- ❑ Expand regulatory oversight to adapt to an increasingly complex and globalized clinical trial environment; and ensure patient safety and integrity of trial data with the goal of protecting Canadians from unsafe practices.
- ❑ Increase surveillance and inspections of personal and commercial shipments at the Canadian border jointly with the Canada Border Services Agency.

Furthermore, Health Canada will engage in the following initiatives:

- ❑ Modernizing Health Canada's Special Access Programme for Drugs.
- ❑ Develop regulatory proposals and supporting documents to strengthen and clarify the regulatory framework governing assisted human reproduction in Canada by bringing into force the outstanding sections of the Assisted Human Reproduction Act pertaining to safety of donor sperm and ova, reimbursement and compliance and enforcement.
- ❑ Continue to work with stakeholders to improve the stewardship of medically important antimicrobial drugs used in veterinary medicine and livestock production. Departmental efforts in this area are in part taken to address the recommendations made in the Office of the Auditor General 2015 Spring Report on Antimicrobial Resistance.
- ❑ Propose to modernize the regulatory framework for self-care products to tailor the level of oversight for these products to their level of risk to the consumer and better inform consumer choice.
- ❑ Update the fees charged to industry for its regulatory activities to enable continued timely access to drugs and medical devices for Canadians. The updated fees will ensure that industry pays its fair share for regulatory costs, reducing the burden on tax payers. It will also allow the Department to continue meet service standards when it issues drug decisions, as a way to measure and affirm its commitment to results for Canadians.

Overall, these efforts will help Canadians access safe, effective and quality health products and empower Canadians by promoting a robust regulatory environment. The indicators selected will allow Health Canada to track compliance with the regulatory framework.

Expected result: Canadians are protected from unsafe consumer and commercial products and substances.

Health Canada helps protect Canadians from health and safety risks associated with consumer products, cosmetics, pesticides, environmental contaminants, tobacco, controlled substances workplace chemicals and substances by using appropriate tools to manage these risks and communicating them to Canadians. In 2018-19, the Department will:

- ❑ Further help industry understand its obligations under the Canada Consumer Product Safety Act by continuing to identify and develop regulatory priorities and policy frameworks including corded window coverings regulations and vaping products (health and safety) regulations (should the new vaping legislative framework receive Royal Assent).
- ❑ Promote regulatory efficiency to protect Canadians in the workplace through continued implementation of the Globally Harmonized System of Classification and Labelling of Chemicals.

- ❑ Increase consumers' understanding and ability to make informed health or safety decisions related to consumer products and cosmetics.
- ❑ Continue to improve communication on pesticide decisions regarding products removed from the market, prohibited uses, mitigation measures and the timing of when changes will take effect in support of users making informed decisions and strengthening openness and transparency.[4]
- ❑ Determine the potential human health risks associated with chemical substances identified under the Chemicals Management Plan (CMP) through research, monitoring and surveillance (which includes bio-monitoring) and the results of existing and new substance risk assessments, so that appropriate action to mitigate any health risks can be taken.
- ❑ Conduct public outreach under the CMP so that Canadians are informed about the potential risks from chemicals, along with the actions they can take in and around the home to protect their health. This will include activities such as social media on chemicals of high interest to Canadians.
- ❑ In conducting risk assessments and potential risk management actions for substances identified as priorities under the CMP, any sex-based differences, such as effects on reproductive systems, are considered if relevant, to ensure actions are protective of the health of all Canadians.
- ❑ Use the government's regulatory powers and work with provinces and territories to ensure that interested communities do not face undue barriers in introducing treatment options for opioid use disorder.
- ❑ Consult with provinces, territories and professional regulatory bodies, to increase transparency in the marketing and promotion of opioid therapies.

Health Canada will continue to support the government's commitment to openness and transparency by improving the communication of risks to Canadians and increasing public understanding of the risks and benefits of consumer products and chemicals. This will better empower Canadians to take action to protect themselves. In addition, Health Canada will continue to require industry to fulfill their regulatory obligations. Progress on these activities will be tracked through key indicators related to communications, compliance and risk management actions.

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[4] The Commissioner of the Environment and Sustainable Development (CESD) recommended during the 2015 Audit of Pesticide Safety that the Pest Management Regulatory Agency (PMRA) work to improve the clarity of its risk communication.

Expected result: Canadians make healthy choices

As part of its efforts to help Canadians have access to evidence-based information, tools and innovative initiatives in support of a healthier lifestyle, Health Canada will undertake the following key initiatives in 2018-19:

- ❑ Continue to lead the Federal Tobacco Control Strategy (FTCS), whose goal is to further reduce the prevalence of tobacco use through regulatory, programming, educational and enforcement activities.
- ❑ Continue to work towards addressing the risks and potential benefits of vaping products. In 2016, the new legislative framework for vaping products was identified as a ministerial priority. Legislation was introduced in the House of Commons in the fall of 2016, and is currently in its Second Reading.
- ❑ Implement a modernized FTCS that will set the foundation for success in tobacco control in Canada. In addition, the introduction of plain packaging requirements for tobacco products is a ministerial priority.

Did you know...

In support of the 2018 modernization of the Federal Tobacco Control Strategy the Minister of Health hosted a national forum in early 2017 to discuss the future of tobacco control with a wide range of stakeholders and Canadians.

Should the Cannabis Act receive Royal Assent and come into force, Health Canada will also:

- ❑ Establish and administer a program to license cannabis producers, undertake compliance and enforcement, and maintain a national Cannabis Tracking System. This will help ensure that the new industry is compliant with regulatory requirements and prevent diversion of cannabis into, and out of, the legal market.
- ❑ Undertake public education and awareness activities, targeting youth and young adults in particular, to provide Canadians with the information they need to make informed decisions and minimize health and safety harms associated with cannabis use.
- ❑ Maintain a distinct medical access framework to support patient provide Canadians who have the authorization of their health care practitioner with legal access to cannabis for medical purposes.
- ❑ Strengthen systematic data collection and surveillance activities to evaluate the success of the cannabis framework and inform evidence-based decision making. A key component of these activities is the Canadian Cannabis Survey, an annual study that will provide information on patterns of cannabis use among Canadians, including prevalence, risky behaviours and measures of harm.

Other key initiatives for 2018-19 include:

- ❑ Transform Canada's Food Guide into a suite of tools and resources to communicate relevant, consistent and credible dietary guidance to Canadians and better meet the needs of different audiences. This will provide additional information to Canadians when making food choices.

- ❑ Develop regulations to restrict the commercial marketing of unhealthy foods and beverages to kids leading to better health outcomes for Canadian children.
- ❑ Finalize regulations on a front-of-package labelling approach for foods high in sodium, sugars, and saturated fats aimed at improving food labels and the food environment. The Department will also develop sodium reduction targets for the restaurant and food service sector. This will ensure healthier foods are made available to Canadians and contribute to improving public health.

Collectively, these activities will support Canadians and empower them to make healthier choices. These initiatives also support commitments outlined in the Minister's mandate letter from the Prime Minister. Progress on these activities will be monitored though select key indicators on the use of tobacco products cannabis and Health Canada's dietary guidance.

For more information on the Minister's mandate letter commitments, see the Prime Minister of Canada's Website.

Planned results

Departmental Result: Canadians have access to safe, effective and quality health products

Departmental Indicators	Target	Date to achieve target	Actual results
Percentage of new drug decisions issued within service standards*	At least 93%	March 31, 2019	2014-15: 97% * 2015-16: 83%* 2016-17 92%*
Percentage of Risk Management Plan reviews for new drug decisions completed within service standards** (Baseline Varies across product lines. A composite baseline will be established following consultations with program leads, in fiscal year 2017-18)	At least 90%	March 31, 2019	2014-15:100% 2015-16:100% 2016-17: 100%
Percentage of drug companies deemed to be compliant with manufacturing requirements under the Food and Drugs Act and associated regulations	Between 85 and 95%	March 31, 2019	2014-15: 97% 2015-16: 96% 2016-17: 96%

* This indicator was previously restricted to prescription pharmaceuticals, but now includes biologics and radiopharmaceuticals. Results shown for 2014-17 are for prescription pharmaceuticals only. Biologics and radiopharmaceutical results were 100% in all reference years. New drugs (pharmaceutical and biologics / radiopharmaceutical) can only be sold in Canada after the products have been reviewed by Health Canada and found to meet the necessary regulatory requirements. This indicator measures whether the Department has done so within service standards.

** Risk Management Plan reviews are an important component of improving the health and safety of Canadians. Completed within service standards, Risk Management Plan reviews protect Canadians from preventable hazards, and contribute to effective engagement with partners and stakeholders - in view of the department's reliance on shared responsibilities.

Departmental Result: Canadians are protected from unsafe consumer and commercial products and substances

Departmental Indicators	Target	Date to achieve target	Actual results
Percentage of consumer product recalls communicated to Canadians in a timely manner (Baseline 86% in 2016-17)	Between 85 and 90%*	March 31, 2019	2014-15: N/A** 2015-16: 94% 2016-17: 86%
Percentage of actions taken in a timely manner to protect the health of Canadians from substances found to be a risk to human health*** (Baseline 85% in 2016-17)	100%	March 31, 2019	2014-15: 79%*** 2015-16: 80%*** 2016-17: 85%***
Percentage of actions taken in a timely manner to protect the health of Canadians from pesticides found to be a risk to human health and the environment**** **(Baseline to be determined)**	At least 80%	March 31, 2019	2014-15: N/A** 2015-16: N/A** 2016-17: N/A**

*The program will consider refining the target after receiving three years of data, in order to better understand the annual trend. This target is a range target. (Note: If the actual results were to exceed 90%, this would be a positive performance story as well; however, 85-90% is considered both ambitious and realistic).

** Actual results are not available given that expected results and/or performance indicator methodology have changed over the specified fiscal years in support of continuous improvements to reporting on program results. The Department will continue to strengthen reporting to Canadians on results achieved as it implements the Treasury Board Policy on Results.

***Managing risks to human health and the environment from substances is complex, as it often includes research, consultations with stakeholders and analyzing socio-economic impacts. As a result, delays in development of the proposed and final risk management actions may occur. The program will continue to streamline processes and look for further efficiencies to move towards the target of 100%.

****The indicator measures the timeliness of risk management actions taken to protect Canadians from pesticides found to be a risk to human health and the environment. This indicator measures that re-evaluation decisions are implemented within prescribed timelines.

Departmental Result: Canadians make healthy choices

Departmental Indicators	Target	Date to achieve target	Actual results
Percentage of Canadians (aged 15+) who have used any tobacco product in the past 30 days (Baseline 15% in 2015)	At most 5%*	March 31, 2035*	2014-15: 17 (2013 data) 2015-16: 15 (2015 data) 2016-17: 15 (2015 data)
Percentage of Canadians (aged 15-24) who have used cannabis in the last 12 months (Baseline 25.5% in 2015, (20.6% of Canadians aged 15-19 and 29.7% of Canadians aged 20-24)	To be established by Dec. 31, 2020	To be established by Dec. 31, 2020	2014-15: N/A 2015-16: 25.5 (2015 data) 2016-17: 25.5 (2015 data)
Percentage of Canadians who use dietary guidance provided by Health Canada**	At least 60**	March 31, 2021	2014-15: 41% 2015-16: 41% 2016-17: 41%

* Tobacco use rates are expected to decline slowly over time, as we continue working towards achieving the Government's commitment of no more than 5% tobacco use by 2035. Achieving this goal will require a long term approach that continues to take action to save the lives of Canadians, while remaining flexible to adapt to emerging scientific evidence on new products.

** This is a revision of an indicator from the 2012 Canadian Community Health Survey (CCHS), which was reported in previous Departmental Plans with a 2012 value of 41%. This module of the CCHS is conducted every four years. The new target of 60% was established based on 2016 survey results (56.6%). The next survey will be conducted in 2020 with results expected in 2021. The indicator on dietary guidance was selected as it measures departmental effectiveness in helping Canadians make healthy choices.

Budgetary financial resources (dollars)

2018-19 Main Estimates	2018-19 Planned Spending	2019-20 Planned Spending	2020-21 Planned Spending
597,556,711	597,556,711	569,638,636	570,584,518

Note: The decrease in planned spending is mainly due to funding level decreases for the Canadian Drugs and Substances Strategy, activities related to preventing problematic prescription drug use, the new federal regime to address the benefits and harms of vaping products, as well as the expiry budgetary spending authorities in 2018-19 related to maintaining core regulatory operations for therapeutic products, and the Bovine Spongiform Encephathy initiative. The Department would have to request funding for these initiatives for future years.

Human resources (full-time equivalents [FTEs])

2018-19 Planned FTEs	2019-20 Planned FTEs	2020-21 Planned FTEs
5,591	5,626	5,673

Note: The increase in planned FTEs is mainly due to funding level increases for the federal framework to legalize and strictly regulate cannabis.

Financial, human resources and performance information for Health Canada's Program Inventory is available in the GC InfoBase[iii].

Internal Services

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the ten distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The ten service categories are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Planning Highlights

Health Canada will undertake the following key initiatives in 2018-19 in the area of Internal Services. These initiatives will help the Department to achieve tangible results under its two core responsibilities through managing risks related to maintaining an engaged and high-performing workforce and leveraging up-to-date technology as well as managing information and protecting IT infrastructure.

- ❑ Continue to implement the Multi-Year Strategy for Mental Health and Wellness in the Workplace.
- ❑ Promote a corporate culture that supports workplace well-being, employment equity and healthy working relationships through such measures as the establishment of a Centre for Mental Health, Wellness and Respect and sustained efforts to meet requirements under the Multi-Year Diversity and Employment Equity Plan, which includes closing employment equity gaps.
- ❑ Enable a culture of high performance through continued support for employee career development, Post-Secondary Recruitment, Performance Management and learning and development opportunities.
- ❑ Continue to support innovative employee engagement and change management activities through Blueprint 2020, Public Service Renewal and Public Service Employee Survey related initiatives.
- ❑ Continue modernization of the workplace to enable a safe and productive workforce with access to modern tools and facilities through initiatives such as enhanced IM-IT Security awareness training, the implementation of GCDocs and updating the accommodations strategy, all aligned with Government of Canada direction.
- ❑ Continue to embed the policy objectives of the Treasury Board's (TB) Policy on Results into Health's Canada systems, practices and work culture across the organization in order to be in a stronger position to report on Results to parliamentarians and Canadians.
- ❑ Work towards the efficient integration of operational and financial information to better support decision-making, organizational performance and effective use of the Department's resources.

- ❑ In support of the new TB Policy on Internal Control (IC) over Financial Management, Chief Financial Officer Branch (CFOB) will expand upon its current framework to establish, monitor and maintain further risk-based controls to ensure rigorous stewardship and accountability of public funds across the Department operations. This process will support and provide assurance to the Deputy Minister with regards to his accountabilities as Departmental Accounting Officer.
- ❑ In support of the Investment Planning Framework, CFOB will continue the modernization of financial management practices and systems to ensure investments are aligned with strategic priorities and governance oversight on project management is adequately applied to ensure accountability and best practices.
- ❑ In support of the mandated TB Policy on Results framework, CFOB will continue to streamline business planning and reporting processes while implementing capabilities in SAP to integrate financial and non-financial information to better facilitate strategic decision making. This will contribute to an enhanced understanding of the results Health Canada seeks to achieve, does achieve, and the resources used to achieve them.
- ❑ In support of the mandated Policy on IC over Financial Management, CFOB will implement enhanced controls over the Financial Management of Pay Administration to ensure the accuracy of departmental accounts and to meet the Deputy Minister's accountabilities in this regard.
- ❑ Continue to implement and strengthen corporate performance measurement practices.
- ❑ Continue modernization of the workplace to enable a safe and productive workforce with access to modern tools and facilities.

Communications Services will:

- ❑ Use evidence to deliver timely and innovative communications advice, products and services that respond to Ministerial and Departmental priorities and the evolving needs of Canadians for health and safety information.
- ❑ Strengthen digital communications by taking a user-centric approach to better reach Canadians through the web and social media.
- ❑ Strengthen integration and collaboration between communications and program functions to improve how Health Canada engages with and communicates to Canadians about their health and safety.

Guided by the Ombudsman, Integrity and Resolution Office Strategic Plan 2017-2020:

- ❑ Continue to provide an independent, confidential, and informal safe space where all Health Canada employees can resolve a range of issues that could hinder workplace wellbeing without fear of reprisal.
- ❑ Promote the benefits of a culture of resolution at the individual and governance levels (decision making guided by ethics, fairness and conflict competence).

Budgetary financial resources (dollars)

2018-19 Main Estimates	2018-19 Planned Spending	2019-20 Planned Spending	2020-21 Planned Spending
302,976,567	302,976,567	273,622,503	273,643,136

Note: The decrease in planned spending is mainly due to the expiry of budgetary spending authorities in 2018-19 for Federal Infrastructure and Maintaining Core Regulatory Operations for Therapeutic Products. The Department would have to request funding for these initiatives for future years.

Human resources (full-time equivalents [FTEs])

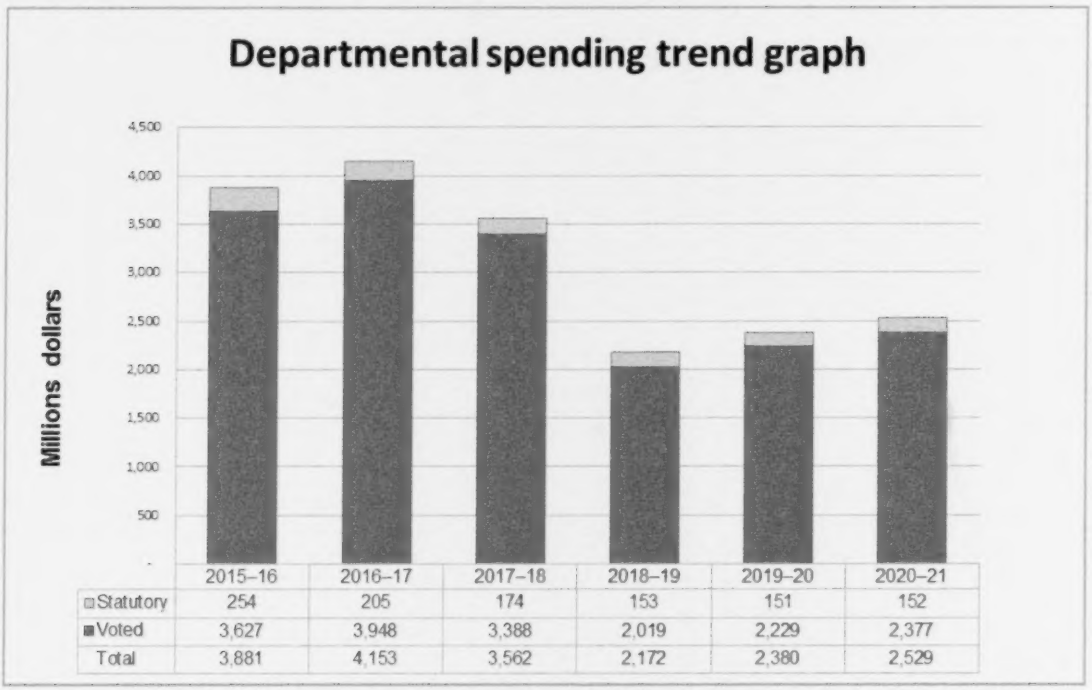
2018-19 Planned FTEs	2019-20 Planned FTEs	2020-21 Planned FTEs
1,687	1,685	1,687

Note: The decrease in planned FTEs is mainly due the expiry of budgetary spending authorities for Maintaining Core Regulatory Operations for Therapeutic Products. The Department would have to request funding for this initiative for future years.

Spending and human resources

Planned spending

Departmental spending trend graph



	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21
Statutory	254	205	174	153	151	152
Voted	3,627	3,948	3,388	2,019	2,229	2,377
Total	3,881	4,153	3,562	2,172	2,380	2,529

Budgetary planning summary for Core Responsibilities and Internal Services (dollars)

Core Responsibility & Internal Services	2015-16 Expenditures	2016-17 Expenditure	2017-18 Forecast spending	2017-18 Main Estimates	2018-19 Planned spending	2019-20 Planned spending	2020-21 Planned spending
Health Care Systems	402,612,277	399,778,094	413,958,688	1,270,981,764	1,270,981,764	1,537,035,332	1,685,100,127
Health Protection and Promotion	457,786,410	475,616,238	600,504,424	597,556,711	597,556,711	569,638,636	570,584,518
First Nations and Inuit Health	2,699,047,864	2,974,087,407	2,164,473,819	-	-	-	-
Subtotal	**3,559,446,551**	**3,849,481,739**	**3,178,936,931**	**1,868,538,475**	**1,868,538,475**	**2,106,673,968**	**2,255,684,645**
Internal services	321,685,601	303,735,385	382,595,772	302,976,567	302,976,567	273,622,503	273,643,136
Total	**3,881,132,152**	**4,153,217,124**	**3,561,532,703**	**2,171,515,042**	**2,171,515,042**	**2,380,296,471**	**2,529,327,781**

Note: The 2015-16 to 2017-18 fiscal years total expenditures and forecast spending include all Parliamentary appropriation sources: Main Estimates, Supplementary Estimates, and funding from various Treasury Board votes. For the 2018-19 to 2020-21 fiscal years, total planned spending does not include funding through Supplementary Estimates and carry forward adjustments. Hence, the totals for these years are lower.

The 2017-18 forecast spending decreases compared to prior fiscal years actual expenditures due to the transfer of the FNIHB to the Department of Indigenous Services Canada, effective November 30, 2017, as per the Order in Council P.C. 2017-1465. This decrease is partially offset by funding increases for initiatives such as Strengthening Canada's Home Care and Mental Health Services, Canada Health Infoway, the federal framework to legalize and strictly regulate cannabis, maintaining core regulatory operations for therapeutic products, improving the accessibility, affordability and appropriate use of prescription drugs and medical devices, and the new federal regime to address the benefits and harms of vaping products.

The planned spending in 2018-19 decreases significantly compared to prior fiscal years due to the completion of the full transfer of the First Nations and Inuit Health Branch to the Department of Indigenous Services Canada. The decrease is partially offset by increases that will continue to support Health Canada and the Government of Canada's priorities.

The planned spending increases in 2019-20 and 2020-21 are mainly due to funding level increases related to Strengthening Canada's Home Care and Mental Health Services, and the federal framework to legalize and strictly regulate cannabis.

Planned human resources

Human resources planning summary for Core Responsibilities and Internal Services (full-time equivalents [FTEs])

Core Responsibilities and Internal Services	2015-16 Actual full-time equivalents	2016-17 Actual full-time equivalents	2017-18 Forecast full-time equivalents	2018-19 Planned full-time equivalents	2019-20 Planned full-time equivalents	2020-21 Planned full-time equivalents
Health Care Systems	199	198	281	276	280	280
Health Protection and Promotion	4,372	4,376	5,301	5,591	5,626	5,673
First Nations and Inuit Health	1,998	2,035	1,268	-	-	-
Subtotal	**6,569**	**6,609**	**6,850**	**5,867**	**5,906**	**5,953**
Internal services	2,171	2,243	2,031	1, 687	1, 685	1, 687
Total	**8,740**	**8,852**	**8,881**	**7,554**	**7,591**	**7,640**

Note: The 2015-16 and 2016-17 fiscal years FTEs are based on actual expenditures on personnel. The 2017-18 fiscal year is based on total authorities from all Parliamentary appropriation sources: Main Estimates and Supplementary Estimates. For the 2018-19 to 2020-21 fiscal years, total FTEs do not include FTEs funded through Supplementary Estimates and carry forward adjustments. Hence, the totals for these years are lower.

The 2017-18 forecast FTEs decrease for First Nations and Inuit Health compared to prior years actual FTEs is due to the transfer of the FNIHB to the Department of Indigenous Services Canada, effective November 30, 2017, as per the Order in Council P.C. 2017-1465. This decrease is offset by increased resources for initiatives such as the federal framework to legalize and strictly regulate cannabis, maintaining core regulatory operations for therapeutic products, improving the accessibility, affordability and appropriate use of prescription drugs and medical devices, and the new federal regime to address the benefits and harms of vaping products. The calculation of the planned FTE figures is based on programs using their full revenue authority.

The planned FTEs in 2018-19 decrease significantly compared to prior years due to the completion of the full transfer of the FNIHB to the Department of Indigenous Services Canada. The decrease is partially offset by increases that will continue to support Health Canada and the Government of Canada's priorities.

The planned FTEs increases in 2019-20 and 2020-21 are mainly due to funding level increases related to the federal framework to legalize and strictly regulate cannabis, and improving the accessibility, affordability and appropriate use of prescription drugs and medical devices.

Estimates by vote

For information on Health Canada's organizational appropriations, consult the 2018-19 Main Estimates.[iv]

Future-Oriented Condensed Statement of Operations

The Future-Oriented Condensed Statement of Operations provides a general overview of the Health Canada's operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Because the Future-Oriented Condensed Statement of Operations is prepared on an accrual accounting basis, and the forecast and planned spending amounts presented in other sections of the Departmental Plan are prepared on an expenditure basis, amounts may differ.

A more detailed Future-Oriented Statement of Operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on the Health Canada's website[v].

Future-Oriented Condensed Statement of Operations for the Year Ended March 31, 2019 (dollars)

Financial information	2017-18 Forecast results	2018-19 Planned results	Difference (2018-19 Planned results minus 2017-18 Forecast results)
Total expenses	3,947,839,531	2,420,713,972	(1,527,125,559)
Total revenues	284,326,962	208,524,938	(75,802,024)
Net cost of operations before government finding and transfers	3,663,512,569	2,212,189,034	(1,451,323,535)

Health Canada is projecting $2,420.7M in expenses based on 2018-19 Main Estimates and accrual information. This amount does not include future supplementary estimates. It represents a decrease of $1,527.1M from 2017-18 projections.

This decrease is primarily attributable to:

- The transfer of control and supervision of that portion of the federal public administration in Health Canada known as the FNIHB to DISC following an Order in Council which came into effect on November 30, 2017;
- Operating and capital budget carry forwards calculated on 2016-17 operational results are included in the 2017-18 revised forecast, but no carry forward estimates are included in 2018-19 planned spending; and,

- A provision for contingent liabilities was included in 2017-18.

These decreases are partially offset by the following increases:

- New funding to strengthen Canada's Home Care and Mental Health Services Initiative;
- Increased funding to promote a more innovative health care system through the Canada Health Infoway, Canadian Foundation for Healthcare Innovation, and CIHI;
- Increased funding to implement and administer a federal framework to legalize and strictly regulate cannabis;
- Re-profiling of federal infrastructure funding from 2017-18 to 2018-19; and,
- Increased funding to improve affordability and appropriate use of prescription drugs and medical devices.

The 2018-19 planned expenses by core responsibility are as follows:

- Health Care Systems $1,268.9M;
- Health Protection and Promotion $843.8M; and,
- Internal services $308.1M.

Health Canada receives most of its funding through annual Parliamentary appropriations. Health Canada's revenue is generated by programs that support the above-noted core responsibilities. Health Canada projects total revenues in 2018-19 to be $208.5M, representing a decrease of $75.8M from 2017-18 projections due primarily to the transfer of the FNIHB to DISC.

The 2018-19 main sources of revenues by type are as follows:

- Services of a regulatory nature $65.1M;
- Rights and privileges $73.4; and,
- Services of a non-regulatory nature $82.7M.

Supplementary information

Corporate information

Organizational profile

Appropriate Minister: The Honourable Ginette Petitpas Taylor, P.C., M.P.

Institutional Head: Simon Kennedy

Ministerial Portfolio: Health

Enabling Instruments

Canada Health Act[vi], Canada Consumer Product Safety Act[vii],, Controlled Drugs and Substances Act[viii], Food and Drugs Act[ix], Tobacco Act[x], Hazardous Products Act[xi], Hazardous Materials Information Review Act[xii], Department of Health Act[xiii], Radiation Emitting Devices Act[xiv], Pest Control Products Act[xv].

List of Acts and Regulations[xvi]

Year of Incorporation / Commencement: 1913

Other: Canadian Food Inspection Agency joined the Health Portfolio in October 2013.

Raison d'être, mandate and role

Raison d'être, mandate and role: who we are and what we do is available on the Health Canada website[xvii].

Operating context and key risks

Information on operating context and key risks is available on the Health Canada's website[xviii].

Reporting framework

The Health Canada's Departmental Result Framework and Program Inventory of record for 2018-19 are shown below:

DEPARTMENTAL RESULTS FRAMEWORK

CORE RESPONSIBILITY 1
HEALTH CARE SYSTEMS

R 1: Canada has modern and sustainable health care systems	**I1:** National health expenditure as a percentage of Gross Domestic Product **I2:** Real per capita health expenditure **I3:** Drug spending as a percentage of Gross Domestic Product **I4:** Percentage of family physicians using electronic medical records
R 2: Canadians have access to appropriate and effective health services	**I5:** Percentage of Canadians (aged 15+) with a mental disorder who have expressed that they have an unmet mental health care need **I6:** Percentage of Canadians (aged 15+) who have expressed that they have an unmet need for access to home care services **I7:** Percentage of Canada Health Act compliance issues addressed within 24 months of identification **I8:** Percentage of Canadians who did not fill a prescription for medicine because of the cost

CORE RESPONSIBILITY 2
HEALTH PROTECTION & PROMOTION

R 3: Canadians have access to safe, effective and quality health products	**I9:** Percentage of new drug decisions issued within service standards **I10:** Percentage of Risk Management Plan reviews for new drug decisions completed within service standards **I11:** Percentage of drug companies deemed to be compliant with manufacturing requirements under the Food and Drugs Act and associated regulations
R 4: Canadians are protected from unsafe consumer and commercial products and substances	**I12:** Percentage of consumer product recalls communicated to Canadians in a timely manner **I13:** Percentage of actions taken in a timely manner to protect the health of Canadians from substances found to be a risk to human health **I14:** Percentage of actions taken in a timely manner to protect the health of Canadians from pesticides found to be a risk to human health and the environment
R 5: Canadians make healthy choices	**I15:** Percentage of Canadians (aged 15+) who have used any tobacco product in the past 30 days **I16:** Percentage of Canadians (aged 15-24) who have used cannabis in the last 12 months **I17:** Percentage of Canadians who use dietary guidance provided by Health Canada

INTERNAL SERVICES

PROGRAM INVENTORY

1. Health Care Systems Analysis & Policy
2. Access, Affordability, & Appropriate Use of Drugs & Medical Devices
3. Home, Community & Palliative Care
4. Mental Health
5. Substance Use & Addictions
6. Digital Health
7. Health Information
8. Canada Health Act
9. Medical Assistance in Dying
10. Cancer Control
11. Patient Safety
12. Blood Systems, Organs, Tissue & Transplantation
13. Promoting Minority Official Languages in the Health Care Systems
14. Brain Research
15. Thalidomide
16. The Territorial Health Investment Fund (THIF)

17. Pharmaceutical Drugs
18. Biologics & Radiopharmaceutical Drugs
19. Medical Devices
20. Natural Health Products
21. Food & Nutrition
22. Air Quality
23. Climate Change
24. Water Quality
25. Health Impacts of Chemicals
26. Consumer Product Safety
27. Workplace Hazardous Products
28. Tobacco Control
29. Controlled Substances
30. Cannabis
31. Radiation Protection
32. Pesticides
33. Specialized Health Services & Internationally Protected Persons Program

Concordance between Departmental Results Framework and Program Inventory, 2018-19, and Strategic Outcomes and Program Alignment Architecture, 2017-18

The Government of Canada Policy on Results, which came into effect on July 1, 2016, seeks to (a) improve the achievement of results across Government; and (b) enhance the understanding of the results the Government seeks to achieve, does achieve, and the resources used to achieve them. Under the Policy, the Management, Resource and Results Structures of each Department (based on Strategic Outcomes and Program Alignment Architectures) have been replaced by DRFs - where departments report their high level core responsibilities and outcomes - and a Program Inventory - where departments describe how they are organized to fulfill their responsibilities.

The DRF focuses on what departments do (i.e. Core Responsibilities), what they are trying to influence (i.e. Departmental Results) and how they are going to assess progress (e.g. Departmental Result Indicators). The Core Responsibilities describe high-level areas in which the Department acts or has authority to operate on behalf of Canadians. The purpose of the Core Responsibilities is to provide a frame within which the Department can later identify the changes (i.e., the results) it is seeking to contribute to through its work. As set out in the table below, Health Canada has two Core Responsibilities: 1) Health Care Systems and 2) Health Protection and Promotion) and 33 programs to fulfill these responsibilities. Through reporting using the DRF, Health Canada will be better positioned to help show its progress in maintaining and improving the health of all Canadians.

2018-19 Core Responsibilities and Program Inventory	2017-18 Lowest-level Program of the Program Alignment Architecture	Percentage of lowest-level PAA program resources estimated to correspond to the Program in the new Program Inventory
CORE RESPONSIBILITY 1: HEALTH CARE SYSTEMS		
1. Health Care Systems Analysis and Policy	1.1.1 Health System Priorities	21
2. Access, Affordability, & Appropriate Use of Drugs and Medical Devices	1.1.1 Health System Priorities	5
3. Home, Community, & palliative care	1.1.1 Health System Priorities	1
4. Mental Health	1.1.1 Health System Priorities	5
5. Substance Use & Addictions	2.5.2 Controlled Substances	44
6. Digital Health	1.1.1 Health System Priorities	10
7. Health Information	1.1.1 Health System Priorities	27
8. Canada Health Act	1.1.2 Canada Health Act Administration	100
9. Medical Assistance in Dying	Not Applicable	0
10. Cancer Control	1.1.1 Health System Priorities	16
11. Patient Safety	1.1.1 Health System Priorities	3
12. Blood Systems, Organs, Tissue & Transplantation	2.1.2 Biologics and Radiopharmaceuticals	17
13. Promoting Minority Official Languages in the Health Care System	1.3 Official Language Minority Community Development	100
14. Brain Research	1.1.1 Health System Priorities	9
15. Thalidomide	1.1.1 Health System Priorities	3
16. The Territorial Health Investment Fund (THIF)	1.1.1 Health System Priorities	100
CORE REPONSIBILITY 2: HEALTH PROTECTION AND PROMOTION		
17. Pharmaceutical Drugs	2.1.1 Pharmaceutical Drugs	100
18. Biologics and Radiopharmaceuticals	2.1.2 Biologics and Radiopharmaceuticals	83
19. Medical Devices	2.1.3 Medical Devices	100
20. Natural Health Products	2.1.4 Natural Health Products	100
21. Food and Nutrition	2.2.1 Food Safety	100
	2.2.2 Nutrition and Healthy Eating	100
22. Air Quality	2.3.1 Air Quality	100
23. Climate Change	2.3.1 Climate Change	100
24. Water Quality	2.3.3 Water Quality	100
25. Health Impacts of Chemicals	2.3.2 Health Impacts of Chemicals	100
26. Consumer Product Safety	2.4.1 Consumer Product Safety	100
27. Workplace Hazardous Products	2.4.2 Workplace Hazardous Materials	100
28. Tobacco Control	2.5.1 Tobacco Control	100
29. Controlled Substances	2.5.2 Controlled Substances	22
30. Cannabis	2.5.2 Controlled Substances	34
31. Radiation Protection	2.6.1 Environmental Radiation Monitoring & Protection	100
	2.6.2 Radiation Emitting Devices	100
	2.6.3 Dosimetry Services	100
32. Pesticides	2.7 Pesticide	100
33. Specialized Health Services & Internationally Protected Persons Program	1.2 Specialized Health Services	100

Supporting information on the Program Inventory

Supporting information on planned expenditures, human resources, and results related to the Health Canada's Program Inventory is available in the GC InfoBase[xix].

Supplementary information tables

The following supplementary information tables are available on Health Canada's website[xx].

- ❑ Departmental Sustainable Development Strategy
- ❑ Details on transfer payment programs of $5 million or more
- ❑ Disclosure of transfer payment programs under $5 million
- ❑ Gender-based analysis plus)
- ❑ Horizontal initiatives
- ❑ Planned evaluation coverage over the next five fiscal years
- ❑ Status report on transformational and major Crown projects
- ❑ Upcoming internal audits for the coming fiscal year
- ❑ Up-front multi-year funding

Federal Tax Expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deduction, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the Report of Federal Tax Expenditures[xxi]. This report also provides details background information on tax expenditures, including descriptions, objectives, historical information and references to related deferral spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

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Appendix: Definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Core Responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of appropriated departments over a three-year period. Departmental Plans are tabled in Parliament each spring.

Departmental Result (résultat ministériel)

Any change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by Program-level outcomes.

Departmental Result Indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

Departmental Results Framework (cadre ministériel des résultats)

The department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on the actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

experimentation (expérimentation)

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and gender-diverse people. The "plus" acknowledges that GBA goes beyond sex and gender differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2018–19 Departmental Plan, government-wide priorities refers to those high-level themes outlining the government's agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada's Strength; and Security and Opportunity.

horizontal initiative (initiative horizontale)

An initiative in which two or more federal organizations, through an approved funding agreement, work toward achieving clearly defined shared outcomes, and which has been designated (by Cabinet, a central agency, etc.) as a horizontal initiative for managing and reporting purposes.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, Program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement)
The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending (dépenses prévues)
For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

plan (plan)
The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priority (priorité)
A plan or project that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Departmental Results.

Program (programme)
Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

Program Alignment Architecture (architecture d'alignement des programmes)
A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.[5]

result (résultat)
An external consequence attributed, in part, to an organization, policy, Program or initiative. Results are not within the control of a single organization, policy, Program or initiative; instead they are within the area of the organization's influence.

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[5].Under the Policy on Results, the Program Alignment Architecture has been replaced by the Program Inventory.

statutory expenditures (dépenses législatives)
Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (résultat stratégique)
A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (programme temporisé)
A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (cible)
A measurable performance or success level that an organization, Program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)
Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

[i] **Treasury Board of Canada Secretariat;** https://www.canada.ca/en/treasury-board-secretariat.html

[ii] **Minister of Health mandate letter;** https://pm.gc.ca/eng/minister-health-mandate-letter

[iii] **GC InfoBase,** https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html

[iv] **2018-19 Main Estimates;** https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html

[v] **Future-Oriented Condensed Statement of Operations,** https://canada-preview.adobecqms.net/en/health-canada/corporate/transparency/corporate-management-reporting/report-plans-priorities/2018-2019-future-oriented-statement-operations.html

[vi] **Canada Health Act,** http://laws-lois.justice.gc.ca/eng/acts/C-6/

[vii] **Canada Consumer Product Safety Act,** http://laws-lois.justice.gc.ca/eng/acts/c-1.68/

[viii] **Controlled Drugs and Substances Act,** http://laws-lois.justice.gc.ca/eng/acts/c-38.8/

[ix] **Food and Drugs Act,** http://laws.justice.gc.ca/eng/acts/F-27/

[x] **Tobacco Act,** http://laws-lois.justice.gc.ca/eng/acts/T-11.5/

[xi] **Hazardous Products Act,** http://laws-lois.justice.gc.ca/eng/acts/H-3/index.html

[xii] **Hazardous Materials Information Review Act,** http://laws-lois.justice.gc.ca/eng/acts/H-2.7/

[xiii] **Department of Health Act,** http://laws-lois.justice.gc.ca/eng/acts/H-3.2/index.html

[xiv] **Radiation Emitting Devices Act,** http://laws-lois.justice.gc.ca/eng/acts/R-1/

[xv] **Pest Control Products Act,** http://laws-lois.justice.gc.ca/eng/acts/P-9.01/

[xvi] **List of Acts and Regulations;** http://www.hc-sc.gc.ca/ahc-asc/legislation/acts-reg-lois/acts-reg-lois-eng.php

[xvii] **Raison d'être, mandate and role,** https://canada-preview.adobecqms.net/en/health-canada/corporate/transparency/corporate-management-reporting/report-plans-priorities/2018-2019-supplementary-information-raison-etre-mandate-role.html

[xviii] **Operating context and key risks,** https://canada-preview.adobecqms.net/en/health-canada/corporate/transparency/corporate-management-reporting/report-plans-priorities/2018-2019-supplementary-information-raison-etre-mandate-role.html

[xix] **Supporting information on the Program Inventory;** https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start

[xx] **Supplementary Information Tables,** https://canada-preview.adobecqms.net/en/health-canada/corporate/transparency/corporate-management-reporting/report-plans-priorities/2018-2019-supplemental-information-tables.html

[xxi] **Report on Federal Tax Expenditures;** http://www.fin.gc.ca/purl/taxexp-eng.asp